

PATENT
450101-02516**REMARKS/ARGUMENTS**

Reconsideration and withdrawal of the rejections of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I. STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-18, 20 and 22 are pending in this application. Claims 1, 8, 9 and 17, which are independent, are hereby amended. Claims 19 and 21 are canceled without prejudice or disclaimer of subject matter. It is submitted that these claims, as originally presented, were in full compliance with the requirements 35 U.S.C. §112. No new matter has been introduced by this amendment. Support for this amendment is provided throughout the Specification and specifically at pages 14 and 15. Changes to claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112. Rather, these changes are made simply for clarification and to round out the scope of protection to which the Applicants are entitled.

II. REJECTIONS UNDER 35 U.S.C. §103(a)

Claims 1-8 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over U.S. Patent No. 6,587,588 to Bottou et al. in view of U.S. Patent No. 6,473,528 to Li et al.

Claims 9-18, 20 and 22 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over Bottou and Li in view of U.S. Patent No. 5,933,535 to Lee et al.

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III. RESPONSE TO REJECTIONS

Claim 1 recites, *inter alia*:

“...said wavelet inverse transform transforms using three partial coefficients of the level and the completely transformed results of the previous level when a level other than a first level are transformed.” (emphasis added)

As understood by Applicants, Bottou relates to a progressive image decoder for wavelet encoded images in compressed files.

As understood by Applicants, Li relates to a shape adaptive technique for image and video compression.

As understood by Applicants, Lee relates to object-based video compression that employs arbitrarily shaped features.

Applicants submit that none of the references, used as a basis of rejection, taken alone or in combination, teach or suggest the above-identified features of claim 1.

Therefore, claim 1 is believed to be patentable. For similar reasons, claims 8, 9 and 17 are also believed to be patentable.

IV. DEPENDENT CLAIMS

The other claims in this application are each dependent from one of the independent claims discussed above and are therefore believed patentable for at least the same reasons. Since each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

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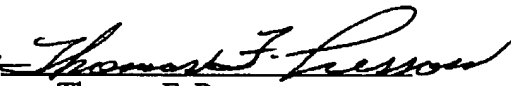
In the event the Examiner disagrees with any of statements appearing above with respect to the disclosure in the cited references, it is respectfully requested that the Examiner specifically indicate those portions of the reference, or references, providing the basis for a contrary view.

Please charge any additional fees that may be needed, and credit any overpayment, to our Deposit Account No. 50-0320.

In view of the foregoing amendments and remarks, it is believed that all of the claims in this application are patentable and Applicants respectfully request early passage to issue of the present application.

Respectfully submitted,
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